



DEPARTMENT OF REVENUE
Property Tax Division

Chapter 8

Personal Property Appeals Process

Revised: November, 2008
Effective: January 1, 2009

PERSONAL PROPERTY MANUAL

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APPEALS PROCESS FOR THE PERSONAL PROPERTY TAX ROLL

The assessment and appeals procedure for personal property that is listed and assessed on the Personal Property Tax Roll is summarized in Table 1. This table is followed by a more in-depth discussion.

TABLE 1
PERSONAL PROPERTY TAX ROLL APPEALS CALENDAR

EVENT	SCHEDULE
Notice of Value mailed by Assessor for the current tax year.	On or before August 30.
Owner or person in possession may file appeal with Assessor. or Owner or person in possession may file appeal with the Court.	Within twenty days after the date the notice was delivered. On or before December 15.
Assessor shall consider and rule on each petition	Within twenty days of filing of petition.
Owner or person in possession may file appeal with the County Board of Equalization or the State Board of Equalization, whichever is applicable. or Owner or person in possession may file appeal with the Court.	Within twenty days after the date of the Assessor's notice of refusal or decision. Within sixty days of date of mailing of Assessor's decision.
County Board of Equalization shall complete the hearing and render a decision on the petition.	On or before December 1.
State Board of Equalization shall complete the hearing and issue a decision on the petitions.	On or before December 1.
Owner or person in possession may file appeal directly with the Court.	Within sixty days of date of mailing of County Board decision, but in any case no later than December 15; or within sixty days of the State Board's written decision.

Note: The valuation year for property on the Personal Property Tax Roll is the calendar year in which the taxes are levied. A.R.S. § 42-11001(19)(b).



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The personal property owner, or the person who is in control or possession of the personal property, is notified of the value and legal classification of their personal property through a Notice of Valuation that is mailed by the County Assessor on or before August 30. A.R.S. § 42-19006. Property owners, or persons in possession, who are dissatisfied with the value or classification of their property as determined by the Assessor may petition for review by following a specific appeals procedure and timetable.

Pursuant to A.R.S. § 42-19051, the administrative appeal process must be initiated within twenty days after the Notice of Value is delivered. This process is described in detail below. Should the property owner, or person in possession, wish to utilize the judicial process without proceeding with an administrative appeal, the action must be filed with the Court no later than December 15. A.R.S. § 42-16201(A). In cases where the administrative appeal process is initially utilized, an appeal to the Court must be filed within sixty days of the most recent administrative decision. A.R.S. § 42-16201(B).

Property owners, or persons in possession, may represent themselves in the administrative appeals process. However, at any level of administrative appeal, persons who own, control or possess property may utilize an agent to act on their behalf regarding any matter relating to the review of their property valuation or classification. A designated agent may also present appeals on property classification and valuation issues before the County Assessor, the County Board of Equalization, or the State Board of Equalization. Property tax agents must be designated annually by filing a completed Agency Authorization Form with the County Assessor. This form (DOR Form 82130AA) must accompany all petitions filed at the Assessor level of administrative appeal, and the form must also accompany the petitions in any subsequent County or State Board of Equalization appeals. After the Agency Authorization Form is filed, the County Assessor, County Board of Equalization or State Board of Equalization shall issue any notice relating to the valuation or classification review of that property to the agent. A.R.S. § 42-16001(C). Requirements for property tax agents are found in A.R.S. §§ 32-3651 through 32-3655.



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ADMINISTRATIVE APPEALS FOR THE PERSONAL PROPERTY TAX ROLL

The administrative appeals process for personal property valued by the County Assessor is initiated when a property owner, or their agent, files a Petition for Review of Personal Property Valuation (DOR Form 82530) with the County Assessor in the county where the property is located. The petition must be filed within twenty days after the date the Notice of Value was delivered.

The administrative appeal process has two levels: Level One is the County Assessor, and Level Two is either the County Board of Equalization or the State Board of Equalization. No appeal may be presented to a County Board of Equalization or to the State Board of Equalization without first having been filed with the local County Assessor.

Which Board of Equalization to utilize for appeal of the County Assessor's decision depends on the population of the county in which the property is located. Current law states that each county with a population greater than 500,000 persons is required to utilize the State Board of Equalization. In each county with a population less than 500,000 persons, the County Board of Supervisors convenes as a County Board of Equalization to review appeals. Therefore, the appeals of Assessor decisions filed in Maricopa and Pima Counties are filed with the State Board of Equalization, while appeals of Assessor decisions filed in all other counties are filed with the respective County Board of Equalization of the county in which the property is located.

Appeals to the County Assessor. Property owners, or their agents, may appeal their personal property valuation or classification by filing a Petition for Review of Personal Property (DOR Form 82530) with the County Assessor within twenty days after the mailing date on the Notice of Value. The petition must provide the owner's opinion of value and substantial information to justify that opinion. A.R.S. § 42-19051. If an owner is being represented by an agent, an Agency Authorization Form (DOR Form 82130AA) must accompany the petition. These forms are available from each County Assessor.



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For personal property on the Personal Property Tax Roll, the County Assessor must rule on all petitions within twenty days of the filing date. If an appeal is denied in whole or in part, the Assessor shall deliver to the petitioner a written notice of the grounds for refusal. Any petitioner whose request is denied may appeal to the County or State Board of Equalization; whichever is applicable for that county. Pursuant to A.R.S. § 42-19052(A), such an appeal to either the County Board of Equalization or to the State Board of Equalization must be filed within twenty days after the date of the County Assessor's notice of decision. At any point during the administrative appeals process, the petitioner may file an appeal directly with the Court.

Appeals to the County Board of Equalization. Currently, personal property appeals to the County Board of Equalization pertain only to property that is located in counties other than Maricopa and Pima Counties. Each county that has a population of **less** than 500,000 persons, by the most recent United States decennial census, must utilize the County Board of Equalization to hear the second level of administrative appeal. This Board consists of the County Board of Supervisors sitting as a County Board of Equalization to consider appeals. A County Board of Equalization may appoint hearing officers to hear the appeals.

These hearing officers must meet the qualifications for appointment prescribed in A.R.S. § 42-16103. Hearings are held by one or more members of the Board or a hearing officer. The Board of Equalization then considers their recommendation when deciding the appeal. This Board must complete the hearing and issue a decision on the petition on or before December 1. A.R.S. § 42-16108(C). The Board of Supervisors may, however, by majority vote, contract with the State Board of Equalization to have them perform the review of administrative appeals. A.R.S. § 42-16102(C).



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Any petitioner who is dissatisfied with the decision from the County Board of Equalization may file an appeal with the Court within sixty days of that decision. The County Assessor or the Department may appeal any reduction in valuation by the County Board of Equalization to the Court on or before December 15. A.R.S. § 42-16202.

Appeals to the State Board of Equalization. Currently, appeals to the State Board of Equalization pertain only to property located in Maricopa County and Pima County. Each county with a population of **more** than 500,000 persons by the most recent United States decennial census must use the State Board of Equalization for the second level of administrative appeal. That seventeen member board consists of a Chairperson appointed by the Governor, three members each from Maricopa and Pima Counties who are appointed by the Governor, plus five members each appointed by the Board of Supervisors of Maricopa and Pima Counties. The members of the State Board of Equalization are required to meet certain qualifications for appointment. A.R.S. § 42-16153.

State Board of Equalization hearings are held in the county in which the property involved is located. Hearings that involve properties valued at \$1,000,000 or less are heard by one member of the Board, or a hearing officer who has to be from the county in which the property is located. A.R.S. § 42-16156(B)(2). Hearing officers must meet the same qualifications for appointment required of the State Board of Equalization members. A.R.S. § 42-16155.

For property valued at more than \$1,000,000, State Board hearings are heard by a panel of either three or five members of the Board, of which at least two must be from the county in which the property is located. Pursuant to A.R.S. § 42-16165(3), the State Board of Equalization must complete the hearing and issue the decision on or before December 1. The property owner, person in possession, County Assessor, or the Department of Revenue may appeal the final decision of the State Board of Equalization to the Court by filing within sixty days of the State Board's written decision. A.R.S. § 42-16203.



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JUDICIAL APPEALS FOR PERSONAL PROPERTY TAX ROLL

Notice of Appeal to the Court. Personal property owners, or persons in possession, who are dissatisfied with the valuation or classification decision of the County Assessor, the County Board of Equalization, or the State Board of Equalization may file an appeal to the Court. However, these appeals to the Court must be filed within sixty days of the date of the most recent administrative decision relating to the petition or subsequent administrative appeal. A.R.S. § 42-16201(B).

Personal property owners, or persons in possession, who are dissatisfied with the valuation or classification of their property as determined by the County Assessor may appeal directly to the Court on or before December 15, whether or not they have exhausted their administrative remedies, pursuant to A.R.S. § 42-16201(A).

All taxes levied and assessed against property on which an appeal has been filed with the Court shall be paid prior to the date the taxes become delinquent. If such taxes are not paid prior to becoming delinquent, the Court shall dismiss the appeal. A.R.S. § 42-16210. Filing an appeal with the Court shall suspend and make any pending administrative appeal proceeding subject to dismissal. A.R.S. § 42-16201(C).

The Director of the Department of Revenue may appeal any decision of any County Board of Equalization or the State Board of Equalization which, in the Director's opinion, is considered erroneous. Appeals initiated by the Department are required to be filed in Court on or before the taxpayer's deadline to file an appeal of any County or the State Board of Equalization's decision. A.R.S. § 42-16206.



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Small Claims Procedures in Court. Taxpayers may elect to use simplified, small claims procedures in Court in certain cases in which the full cash value of all real and personal property does not exceed \$1,000,000. A small claims procedure may be reclassified as a regular Court case if that requirement is not met. A taxpayer elects to use small claims procedures by indicating in the caption of the complaint that the matter is a small claims procedure. Taxpayers may appear on their own behalf, or be represented by an attorney licensed to practice in this state, or by any other person the Court allows to participate in the hearing. A.R.S. §§ 12-172 through 12-174.